



Foreign, Commonwealth
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The Earl of Kinnoull
Chair
European Union Select Committee
House of Lords
London
SW1A 0PW

5th February 2021

Dear Earl Kinnoull,

Thank you to your Committee and officials for the document entitled 'European Union Committee Twentieth Report'. I am writing as the Minister responsible for the European Neighbourhood to offer a response to points raised concerning the Partnership, Trade and Cooperation Agreement between the United Kingdom of Great Britain and Northern Ireland and The Republic of North Macedonia (the UK-North Macedonia Agreement).

UK-North Macedonia Agreement

The UK-North Macedonia Agreement strengthens the trading relationship between the UK and North Macedonia, worth £1.8 billion in 2019, by securing continued preferential access and paving the way for increased trade in the future.

This Agreement will enable British business to continue to trade on preferential terms and in turn will help protect North Macedonia's economic stability and prosperity.

The Agreement also sets out the UK and North Macedonia's ambitions for our future relationship including the strengthening of our political, economic, security and cultural ties.

The underlying EU Agreement and approximation to the 'acquis'

The Committee asks the Government "to confirm what criteria it will apply to establish that a necessary level of alignment is no longer reached, and how it plans to notify Parliament and the affected sectors of any resulting suspensions."

The UK-North Macedonia Agreement stipulates that should the UK and North Macedonia's relevant legislation under Title V (concerning the movement of workers, establishment, and the supply of services) diverge from their current state such that the operability of specific provisions under Title V are negatively affected, a Party can request consultations with the other on the matter.

In order to assess the "necessary level of alignment" between the UK and North Macedonia's relevant legislation in the provisions under Title V, the Government will monitor trading relations concerning the movement of workers, establishment, and the supply of services to determine whether changes to relevant legislation in North

Macedonia and the UK are negatively affecting trade in the relevant sectors. Should consultations invoked by the UK fail to resolve issues concerning regulatory changes which negatively impact trade flows between the UK and North Macedonia, Parliament and industry bodies in the affected sectors will be notified as soon as is possible through the appropriate channels, including through standard parliamentary procedures. The UK, in accordance with the terms of the Agreement, has the right to suspend the operation of relevant provisions of the Agreement.

Governance arrangements and future amendments to the Agreement

The Committee notes they look forward to receiving notification of the amendments made within the governance structures of the Agreement, as part of the “Government’s commitment to ensure that all amendments to treaties are published irrespective of whether they engage CRAG.”

As the Government has said before, the amendment provisions in Agreements generally determine the process for scrutiny of amendments. Whether or not an amendment triggers CRAG, amendments will be published as they are made.

The Government agrees that it is important to have a complete and up-to-date record of the treaties to which the UK is a party, and so the FCDO is working with all Departments to ensure that amendments to treaties are published in the UK’s Treaty Series, including those that are not subject to CRaG.

Consultation

The Committee suggests that the Explanatory Memorandum accompanying an Agreement should make clear (1) that the Devolved Administrations have been consulted; (2) whether they have expressed any concerns; and (3) if they have expressed any concerns, what they were and what action has been taken to address them.

Throughout the course of the continuity programme, we have held a regular and detailed dialogue with Devolved Administrations, Crown Dependencies and Gibraltar. This has included regular Ministerial engagement, including through the Ministerial Forum for Trade and regular correspondence on specific agreements. DIT has also held regular official-level engagement, providing comprehensive updates on negotiations, advance sight of agreement text and support with legislative implementation.

Devolved Administrations, Crown Dependencies and Gibraltar have not routinely raised concerns with the trade continuity programme. It is however important that any concerns which may be raised are handled in confidence and with discretion. DIT and the FCDO have worked closely with your Committee to improve the quality and consistency of Explanatory Memoranda, and we will continue to keep them under review.

The Government values scrutiny of the trade continuity programme and welcomes your Committee’s report. I look forward to your future reports on our trade continuity agreements. I am copying this letter to Lord Goldsmith, Chair of the International Agreements Committee and will place a copy in the House of Lords Library.

Yours sincerely


Wendy Morton MP
Minister for the European Neighbourhood and the Americas